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The Hostage Profiteer

By William Safire

WASHINGTON, July 23 — Why do you suppose Zbigniew Brzezinski lied when he insisted to me last Sunday that he had not discussed Libya with Billy Carter? Why did he claim that the only reason the President's brother came to him after a Justice Department interrogation was because Zbig was "a family friend"?

And, why did Presidential Counsel Lloyd Cutler tell reporters that Billy Carter just "showed up" at his office, assuring us that "nothing sinister" could be attached to the person who arranged for him to just "show up"?

No matter of national security caused these deliberate deceptions. The sole reason for this week's dissembling in the White House was to cover up Jimmy Carter's dirtiest little secret: that he had entrusted a diplomatic mission to his besotted, bigoted brother — and that Billy Carter immediately took advantage of his official hostage-crisis credentials to set up a multimillion-dollar oil deal.

Follow the hostage profiteering:

On Nov. 27, 1979, Mr. Brzezinski met at 11:30 A.M. with the President, Vice President, C.I.A. Director Turner and Hamilton Jordan. The White House admits the National Security Adviser then went to a meeting about the Iranian crisis and other matters that Billy Carter had been asked to arrange with Ali el-Houdari, Dictator Qaddafi's representative in the U.S.

On Dec. 10, two weeks after the Brzezinski-Billy Carter-Houdari meeting, Qaddafi told Youssef Ibrahim of The New York Times in Libya that he had received "assurances" from the U.S.: "We have received these assurances in the last few days through unofficial but reliable channels from President Carter," said Qaddafi. "We interpret them as meaning a more neutral American posture in the conflict between the Arabs and Israel."

In the midst of this dealing with an Arab leader who considers Yasir Arafat too moderate, Billy Carter — who had not until then been able to shake substantial money out of the Libyans — presented his bill: a 55-cents-a-barrel commission on Libyan-American oil sales that could earn him \$20 million, and a half-million-dollar loan.

The "loan" was probably an advance on commissions to help him pay

arrears to the Internal Revenue Service. In the lax Atlanta office of I.R.S., agents had turned stringent after criticism of an earlier "sweetheart audit" of Carter Warehouses.

Within one month — in January of this year — Mr. Houdari, the same Libyan friend of Billy who relayed the Brzezinski "assurances" to Qaddafi, signed the first check after seeing results from Billy Carter's obviously valuable services. More important, the President's brother was encouraged to become the middleman in oil sales, an idea first advanced by Robert Vesco.

The Carter-Houdari deal was probably this: Billy was to deliver Brzezinski's assurances of a second-term tilt toward the Arabs, along with a pipeline into the Oval Office — in return for Qaddafi's message to Ayatollah Khomeini on the hostages to show President Carter what an effective diplomat his little brother could be, along with the whopping oil commissions and a small advance to tide him over.

Two months later, in March, electronic intercepts alert Mr. Brzezinski to the likelihood that First Brother would soon be cashing in on the hostage initiative with his oil deal. He takes this to Jimmy Carter, who tells his National Security Adviser to call Billy Carter to warn him (a possible violation of the Communications Intelligence Act). At that point, the President must have realized he had created a double agent: While his brother was ostensibly helping with the hostages, he was able to use this activity to get commissions directed his way by a foreign power.

When Mr. Brzezinski was finally forced into the open this week, Counsel Cutler shrewdly tried to focus the question of the President's guilty knowledge on the payments of \$220,000, part of the advance against future oil commissions. That detail is insignificant compared to the President's knowledge of his brother's multimillion-dollar oil deal.

The President and his closest advisers — fully aware that the Department of Justice was lazily trying to get Billy Carter to register — did nothing then to cause him to make full disclosure or to disclose the whole sordid story themselves.

At Philip Heymann's criminal division, where every week is Brotherhood Week, nobody involved in this scandal has been put under oath. A Senate select committee, with special counsel, would put an end to the see-no-evil favoritism; the majority leader, Robert Byrd, is putting up partisan resistance.

Diplomatic urgency rather than national security is now being peddled by the White House as justification for this year's cover-up. Nobody's buying; we all knew that Jimmy Carter profited in the polls from the seizure of Americans as hostages, but few suspected that his money-grubbing brother would try to make a bundle out of a tragedy.